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FX TRADING IN
THE **NEW** WORLD

R5FX Limited

User Guide

Table of Contents

Chapter 1 – GENERAL PROVISIONS.....	3
Chapter 2 – ROLE OF R5FX.....	6
Chapter 3 – APPLICATIONS AND ACCEPTANCE AS A USER	7
Chapter 4 – COMMUNICATION AND NOTIFICATIONS.....	8
Chapter 5 - RESPONSIBILITY OF USERS	9
Chapter 6 – THE SERVICES	11
Chapter 7 - SETTLEMENT	13
Chapter 8 - INFORMATION, MONITORING AND INVESTIGATION	13
Chapter 9 - SANCTIONS	14
Chapter 10 – LIABILITY FOR USERS.....	15
Chapter 11 - PAYMENTS	15
Chapter 12 - COMPLAINTS BY USERS.....	15

Chapter 1 – GENERAL PROVISIONS

1.1 Glossary

For ease of reference in this User Guide, the following words and expressions shall (unless the context otherwise requires) have the meanings set out below:

<i>Applicable Law</i>	means all and any applicable statute, law, ordinance, regulation, rule, code, guidance, order, published practice or concession, judgment, requirement or decision of any governmental authority and includes any rule or principle of common law or equity, all FCA Rules, the rules, regulations, operating procedures and custom of any exchange or market and their clearing house or settlement systems and any applicable accounting standards and principles;
<i>Credit Confirmation</i>	means a notice in such form as R5FX may approve or accept confirming that the Credit Counterparty has or will provide or procure the provision of credit to a User;
<i>Credit Counterparty</i>	means one or more person(s) appointed by R5FX to provide Post Trade Services to Users and act as a counterparty to any trades in R5 Currencies subject to such terms as may be agreed between them;
<i>Currency Pair</i>	means in relation to a trade, the ability to exchange the lawful currency of one jurisdiction for the lawful currency of another jurisdiction;
<i>Eligibility Criteria</i>	means the criteria determined by R5FX and made available on the Website with which a prospective User must comply in order to be admitted as a User and once admitted as a User must comply with at all times;
<i>FCA</i>	means the UK Financial Conduct Authority and any successor body from time to time;
<i>FCA Rules</i>	means the rules and guidance of the FCA contained in the FCA handbook of rules and guidance;
<i>Market Maker</i>	as defined by MIFID & FCA

Order Book	means one or more systems used for the reception, display and matching of Orders of trades operated by R5FX as detailed on the Website;
Participation	means a User's continuing ability to participate in the Services and (subject to compliance with the applicable conditions) access the Order Books;
Post Trade Services	means the management of Currency Pair positions from the point of execution to change of ownership. These services could include novation, netting, position management and the posting of settlement instructions;
R5 Currency	means a Currency Pair available for trading through the Services;
Regulator	means the FCA or any other equivalent body or authority in any other relevant jurisdiction;
R5FX Compliance	means the compliance department of R5FX;
Website	means the R5FX website which provides information to Users about the Services.

1.2 Interpretation

Any words or expressions defined in the User Agreement (unless the context otherwise requires) shall have the same meaning in this User Guide.

To avoid any misunderstanding and unless the context otherwise requires, in this User Guide, on the Website and in any notice or formal guidance R5FX may publish:

- (a) references to the words **include** or **including** are to be construed without limitation;
- (b) references to time are references to time in London;
- (c) words or phrases importing the singular include the plural and vice versa;
- (d) a word or expression related to a defined term has a consistent meaning to the defined term;
- (e) references to any person, includes any natural or legal person and that person's permitted successors and transferees;
- (f) references to one gender or the neuter shall include references to all genders;
- (g) references to an enactment or a statutory provision is a reference to it as it may have been, or may from time to time be, amended, modified, consolidated, re-enacted or replaced.

1.3 Priority

For the avoidance of doubt, this User Guide forms part of the Agreement.

Unless R5FX have specifically agreed otherwise, in writing, in the event of any conflict or inconsistency, the following order of priority applies:

- (a) first the User Agreement;
- (b) second this User Guide;
- (c) third any Order Form;
- (d) fourth any notice or formal guidance R5FX may publish from time to time; and
- (e) fifth any other information appearing on the Website.

1.4 Governing Law & Jurisdiction

For the avoidance of doubt, the governing law and jurisdiction provisions of the User Agreement shall take priority at all times and nothing shall prevent any of the parties commencing or continuing court proceedings in relation to any dispute. However, to avoid resorting to the courts in the event of a dispute between R5FX and any User, each User shall follow the following procedure:

- (a) the User in dispute shall give notice to R5FX setting out the nature of the dispute and full particulars together with any relevant supporting documents;
- (b) following receipt of a notice of dispute R5FX and the User shall attempt in good faith to resolve the dispute;
- (c) if R5FX and the User are, for any reason, unable to resolve the dispute within [30] days of the User's notice being received, R5FX and the User will attempt to settle the dispute by mediation in accordance with the CEDR Model Mediation Procedure. Unless otherwise agreed, the mediator shall be nominated by CEDR Solve. To initiate the mediation, either party may serve notice in writing ("**ADR notice**") to the other party to the dispute, requesting a mediation. A copy of the ADR notice should be sent to CEDR Solve. The mediation will start not later than [30] days after the date of the ADR notice;
- (d) if the dispute is not resolved within [60] days after service of the ADR notice, or either party fails to participate or to continue to participate in the mediation before the expiration of the said period of [60] days, or the mediation terminates before the expiration of the said period of [60] days, the dispute shall be finally resolved by the English courts.

Chapter 2 – ROLE OF R5FX

2.1 Introduction

The Services are provided by R5FX Limited, Company No. 08638719 and whose registered office and main place of business is at Studio 420, Metal Box Factory, 30 Great Guildford Street, London SE1 0HS.

R5FX only acts as an arranger bringing together interested parties to buy and sell R5 Currencies. Once two Users have shown an interest to buy and sell an agreed amount of one currency in exchange for another at a particular price or rate for settlement on a specified date, R5FX will refer the details of the trade to any relevant Credit Counterparty to agree and confirm the trade.

The role of the Credit Counterparty will be to act as a principal and counterparty to each of the two Users. The Credit Counterparty will confirm the trade, maintain and settle positions, manage credit exposure and set limits.

R5FX is not a party to any trade arranged through the use of its facilities nor does it give any assurance or guarantee of the performance of any its users. The role of R5FX is limited to introducing users to each other so that they can communicate with one another and be counterparties in any resulting trades.

Chapter 3 – APPLICATIONS AND ACCEPTANCE AS A USER

3.1 Eligibility

In order to be considered as a User of the Services a prospective User must meet the Eligibility Criteria.

3.2 Applications

Prospective Users shall:

- (a) accurately complete and sign an Order Form in such form as R5FX may specify or accept;
- (b) provide such information as R5FX may require;
- (c) satisfy any and all general technical requirements as R5FX may specify; and
- (d) execute such additional agreements and other documentation as R5FX may require.

3.3 Admission

The acceptance of any prospective User as a User is in the absolute discretion of R5FX and shall become effective on such date and at such time as R5FX may specify. R5FX will notify any prospective User of the outcome of the determination of its application which may be granted, refused or granted subject to satisfaction of one or more conditions. Should any application be granted subject to satisfaction of one or more conditions the prospective User's acceptance as a User shall become effective on such date as R5FX is satisfied (in its absolute discretion) that such conditions have been fulfilled or waived.

3.4 User status

R5FX and any Credit Counterparty it appoints will recognise and deal solely and exclusively with each User. R5FX will not recognise communicate with or act on the

instructions of any person who is not the User or an Authorised Person which R5FX reasonably believes represents the User.

Chapter 4 – COMMUNICATION AND NOTIFICATIONS

4.1 Authorised Persons

The User may appoint and remove one or more individuals to be an Authorised Person to give instructions and provide information on behalf of the User. The appointment and removal of any Authorised Person shall be in writing and by such means as R5FX may prescribe or accept. R5FX will be entitled to rely and act on any instruction or information given by any Authorised Person until the actual receipt of notification otherwise from the User.

Details of the arrangements for the appointment and removal of any Authorised Person may be made available (together with any relevant form R5FX may prepare for this purpose) on the Website.

R5FX and (if applicable, the Post Execution Services Provider) shall be entitled to act on any instruction or information made or provided by any person they reasonably believe to be an Authorised Person without the need to check the authority of the Authorised Person to give it or checking the validity or appropriateness of such information, instruction or request.

Any notice issued by R5FX delivered to an Authorised Person will be effective and binding on the User without the need for R5FX to bring the notice or its contents to the User by any other means.

4.2 Notifications to R5FX

All notifications to R5FX required to be made under this User Guide shall be made as soon as is reasonably practicable to such person or recipient as R5FX may specify or, if none is specified, to R5FX Compliance. Where a notification is initially made verbally or via electronic mail, R5FX may require the notice to be confirmed in writing.

4.3 Required notifications

A User must notify R5FX in writing, or by electronic mail, at least 21 calendar days in advance of the proposed effective date of any significant changes to its structure. The types of changes which would be considered relevant would include (but are not limited to):

- (a) any change in control of 20% or above;
- (b) any change of name;
- (c) any change of address;

- (d) any change of Authorised Persons;
- (e) any change in the officers of the User;

A User must notify R5FX immediately on becoming aware of any of the following:

- (a) it becoming aware of a contravention of the Agreement by itself, any Authorised Person or any other User;
- (b) the appointment of any administrator or receiver, or if a resolution is passed to wind up the User; or
- (c) the commencement of enforcement or other proceedings whether before any court or tribunal by any Regulator to the extent that such action or proceedings could impair, restrict or prevent its compliance with the Agreement, save to the extent that such notification or disclosure is prohibited by Applicable Law or any relevant Regulator.

Chapter 5 - RESPONSIBILITY OF USERS

5.1 Continuing obligations to comply with Applicable Law and this User Guide

A User must ensure at all times that it:

- (a) complies with all Applicable Law;
- (b) complies with the terms of this User Guide (including the Eligibility Criteria and the following provisions of this Chapter 5);
- (c) has adequate internal arrangements, procedures and controls in place for recording Orders, managing Orders, executing Orders and the settlement of resulting trades; and
- (d) ensures that anyone who submits Orders to the Order Book is sufficiently trained and has adequate experience, knowledge and competency.

5.2 Trade records

Users must retain a record of each trade entered into by it using the Service in accordance with Applicable Law in an unalterable format. Any such record must be capable of being produced for inspection by R5FX on demand and in legible form.

5.3 Compliance with the regulatory environment

Users must comply with any domestic currency restrictions which apply to any R5 Currency made available through the Service. R5FX may make available information and examples of codes of conduct and market practice on the Website (but is not bound to do so) but accepts no responsibility for the completeness or accuracy of any such information provided.

5.7 Misleading acts, conduct, and prohibited practices

A User shall not:

- (a) collude with others in respect of its business or use of the Services in a way which might damage the fairness or integrity of the Services;
- (b) commit any act or engage in any course of conduct which creates, or is likely to create, a false or misleading impression of the market in, or the price, supply, or value of, any R5 Currency;
- (c) cause or enter into any artificial trade;
- (d) submit an Order with a fictitious quantity or price onto the Order Book;
- (e) commit any act or engage in any course of conduct which is likely to damage the fairness or integrity of the Services or the reputation of R5FX;
- (f) commit any act or engage in any course of conduct which causes, or contributes to, a breach of the requirements set out in this User Guide; or
- (g) commit any act or engage in any course of conduct the sole or main intention of which is to move the price of any R5 Currency or the level of any index of which that Currency Pair is a component.

5.8 Obligations of former Users

Notwithstanding the resignation of a User or the termination of its Participation, Users will remain subject to the terms of this User Guide until such time as R5FX is satisfied that all obligations of the User have been satisfied or released. Users will remain responsible for its acts and omissions during any period of Participation and shall comply with any requests for information and assistance which R5FX may make at any time following the termination of its Participation.

Chapter 6 – THE SERVICES

6.1 Trading days and trading hours

R5FX will publish on the Website details of the days and times when the Services will be made available to Users. Subject to section 6.5 below, R5FX will use its reasonable endeavours to ensure that the Service is made available during the published hours.

6.2 Admission to trading

R5FX shall in its absolute discretion determine which Currency Pairs are available through the Service. A full list of the R5 Currencies available through the Service will be made available on the Website.

R5FX may at any time and on such notice (including no notice) as it considers is reasonable or that can be given in the circumstances suspend, cease or restrict trading in any Currency Pair. In the event that R5FX does so, a User shall not submit Orders or amend Orders on the Order Book in any Currency Pair which is subject to suspension by R5FX. Any Orders in such a Currency Pair may with prior notice be deleted from the Order Books at the discretion of R5FX.

6.3 Access to the Services

Access to the Services is only available to Users and only if they are party to a Credit Confirmation with a Credit Counterparty and there is credit available under such Credit Confirmation.

6.4 No obligation to transact business with other Users

The identity of Users placing Orders in the Order Book is not visible to any other Users. Once a trade is executed, the identity of each counterparty to the trade becomes visible to the other counterparty(ies). No User is under any obligation to deal with any other User and any User may at any time restrict, block or terminate any others User's ability to enter into trades with them.

6.5 Suspension of access to the Services and termination of Participation

Without prejudice to the generality of the suspension and termination provisions in the User Agreement, R5FX will consider suspending a User's Participation on one or more Order Books if the User does not comply with any requirements for use of the Services set by R5FX, or R5FX determines (in its absolute discretion) that the actions of the User have or may damage the fairness or integrity of the Services or the reputation of R5FX.

In practice, R5FX will operate the sanctions referred to in Chapter 9.

6.6 Orders

The Order types that may be submitted to the Order Book are described on the Website. All Orders entered on to the Order Book are firm and available for execution (in full or part) to those Users to whom the Order will be displayed and, when executed, will be binding on the User placing the Order (unless otherwise provided in this User Guide). A User may provide facilities enabling clients and other third parties to place Orders in the Order Book but it shall be the responsibility of the User concerned to ensure it has sufficient systems, procedures and controls designed to prevent the entry of erroneous Orders to the Order Book. A User is solely responsible for any order placed into the Order Book by or through them including those placed by others through the facilities they provide.

6.7 Amendment and deletion of Orders

A User may amend, or delete Orders at any time up to the point of actual execution.

6.8 Invalid Orders

R5FX may reject and remove from the Order Book any Order which R5FX (in its absolute discretion) considers to be invalid.

6.9 Errors

Errors are inevitable in even the best run organisation, however, R5FX is not a party to any trade and it will not reverse or correct trades entered into in error. R5FX may at the request of the User concerned endeavour to facilitate the correction of any erroneous trades with the User, Credit Counterparty and any relevant counterparty but is under no obligation to do so.

6.10 Trades binding

On the execution of any Order the User will enter into a binding contract to exchange the amount of currency concerned at the prices specified in the Order with the Credit Counterparty.

6.11 Resignation

Subject to the cancellation terms set out in an applicable Order Form, a User may, at any time, resign its Participation by giving R5FX not less than 30 days' written notice of its intention to do so. R5FX may, in its absolute discretion, refuse to accept any notice of resignation in the event that it (in its absolute discretion) considers there are any outstanding matters concerning the User or that it is or is likely to be subject to an ongoing investigation.

Chapter 7 - SETTLEMENT

7.1 Obligation to settle

A User must, in respect of all trades executed through the Service, settle all obligations in accordance with the rules and customs of the relevant settlement system pursuant to any procedures established by the Credit Counterparty.

A User is principal to all trades it enters into and solely responsible for their settlement including trades executed on behalf of third parties.

7.2 Settlement

Unless agreed otherwise, a trade shall be settled in the standard place of settlement for that Currency Pair, as published by R5FX from time to time on the Website or as otherwise specified by the Credit Counterparty. On the settlement date the User concerned shall ensure that all currencies delivered in settlement of a trade are free of any charge or encumbrance.

Chapter 8 - INFORMATION, MONITORING AND INVESTIGATION

8.1 Information

R5FX may require the immediate provision by a User of accurate information about its trades in such format as R5FX may specify or accept. R5FX may also require the production of documents relating to R5FX and the User's use of the Service in the User's possession, custody, power or control within such times R5FX may require (which may be immediately).

8.2 Disclosure of information

Information and documents received from Users by R5FX will be received and held in confidence and will not be disclosed to any third party without the prior consent of the User providing the information and documents and, if different, the person to whom it relates. However, R5FX may disclose such information:

- (a) to co-operate, by the sharing of information and otherwise, with any Regulator;
- (b) for the purpose of enabling it to institute, continue, or defend any proceedings including any court proceedings;
- (c) for any other purpose required by Applicable Law; or
- (d) for the protection of investors and the maintenance of high standards of integrity and fair dealing.

Chapter 9 - SANCTIONS

For the avoidance of doubt, this Chapter is without prejudice to the generality of the suspension and termination provisions in the User Agreement.

In the interests of maintaining a fair and orderly market, R5FX will have absolute discretion in using any/all of the following sanctions for the breach of any provision of this User Guide;

- (a) written warning;
- (b) suspension of a User's access to all or part of the Services; or
- (c) termination of the User's Participation.

R5FX may, at its discretion, waive its right to impose a sanction but any waiver shall not prevent or restrict R5FX from imposing a sanction whether in respect of any other infringement of this User Guide (even if related) or against any other User in relation to the same breach.

In practice the sanctions will include R5FX operating a "yellow card" and "red card" approach. If a User ("**Aggrieved User**") reasonably believes that any other User ("**Bad User**") displays bad behaviour when using the Services (which might damage the fairness or integrity of the Services), then the Aggrieved User can request that R5FX gives the Bad User a "yellow card" and/or request that R5FX places a trading block on future trades between the Aggrieved User and the Bad User. Any trading block imposed will remain in place until R5FX confirms (or, where relevant, the Aggrieved User and the Bad User confirm to R5FX) that the dispute is resolved (at which time the yellow card will be removed). [Yellow cards will be visible to the relevant Aggrieved User and Bad User but not to other Users. The identity of the relevant Aggrieved User and Bad User will only be known to each such User if the dispute relates to an executed trade].

If any Bad User has 3 or more outstanding yellow cards, it will receive a red card. [Red cards will only be visible to the relevant Bad User but not to other Users.] If a Bad User receives a red card, R5FX may suspend the relevant Bad User's access to all or part of the Services for such period as R5FX sees fit [which would usually be one trading day].

If any Bad User has 3 or more red cards in any rolling [12] month period, R5FX will consider suspending such Bad User for an extended period and/or terminating their Participation.

Chapter 10 – LIABILITY FOR USERS

R5FX is not responsible for and shall not be liable for the actions, omissions or default of any User. Trades undertaken through the Services are not subject to any compensation scheme.

Chapter 11 - PAYMENTS

11.1 Fees and Charges

A User shall pay to R5FX all applicable subscriptions, charges, fees and any other costs due to R5FX at the times and at the rates shown on the Website or in accordance with or pursuant to any agreement with R5FX. Any User which fails to settle invoices by the due date for two consecutive months will be required to move to making payments by direct debit.

In addition to the subscriptions, charges, fees and any other costs due to R5FX, the User shall be liable for the payment of any applicable taxes or government trade fees that arise from the trading of Currency Pairs on the R5FX Order Book.

Chapter 12 - COMPLAINTS BY USERS

In the event that a User is not satisfied with the service provided by R5FX, then they should inform R5FX Compliance, who will assess the complaint and will escalate the matter to the R5FX board of directors if appropriate. Full details of the R5FX complaints procedure are available on the Website at this link:

<http://www.R5FX.com/documents/complaints-procedure>